MYSORE LEGISLATIVE ASSEMBLY

SECOND DAY.

Thursday, 30th October 1958.

The House met in the Assembly Hall, Vidhana Soudha, Bangalore, at One of the Clock.

MR. SPEAKER (SRI S. R. KANTHI, B.A.,LL.B.) in the Chair.

QUESTIONS AND ANSWERS

Repairs to the breached Left Bank Channel of Ghataprabha river in Jamkhandi Taluk.

Q.—2942. Sri J. L. KABADI (Indi).—

Will the Government be pleased to state :—

(*a*) whether it is a fact that the left bank channel of Ghataprabha river in Jamkhandi Taluk, Bijapur District, has breached ;

(*b*) if so, when did it breach and what action has been taken to repair the same; and if no action has been taken, the reasons therefor ;

(*c*) whether it is a fact that the villagers of Teradal village, Jamkhandi Taluk, have credited deposits for supply of water for irrigation purposes from the above channel ;

(*d*) whether it has come to their notice that in spite of repeated requests to the authorities for supply of water no action has been taken so far ;

(*e*) whether it is a fact that the villagers have asked for refund of their deposits and if so, whether the deposited sum has been refunded ?

A.— Sri H. M. CHANNABASAPPA (Minister for Public Works).—

(*a*) No.

(*b*) Does not arise.

(*c*) No. Deposits are not taken for supply of water for irrigation purposes from the channel.

(*d*) No. Requests for canal water have not been refused wherever the channels are ready and the irrigators have constructed the field channels from the Government channels to their fields.

(*e*) Does not arise in view of reply to clause (*c*).

Deficit of money traced by the Auditor in the Virajpet Town Co-operative Society.

Q.—3592. Sri J. B. MALLARADHYA (Nanjangud).—

Will the Government be pleased to state :—

(*a*) whether it has come to their notice that a deficit amounting to Rs. 1,72,350-14 nP. was traced by the District Auditor of the Coorg Co-operative Societies when he completed the audit on 18th October 1957 of the Virajpet Town Co-operative Bank Ltd.,

(*b*) whether they have received the special Report on the audit of accounts of the Bank and if so, when ;

(*c*) to what period does the audit relate ;

(*d*) the action they have taken to fix responsibility for the irregularities brought to light during audit ;

(*e*) whether the Directors have taken steps to make good the missing cash ?

(*f*) whether they are aware that the Directors have unauthorisedly withdrawn and misused the funds of the Bank?

A.—Sri MALI MARIAPPA (Minister for Co-operation).—

(*a*) Yes.

(SRI MALI MARIAPPA)

(*b*) Yes; on 16-12-1957.

(*c*) To the period from 1-7-1953 to 18-7-1957.

(*d*) Necessary action will be taken after the Police Investigation is completed.

(*e*) Yes; so far a sum of Rs. 9,636 has been recovered.

(*f*) No.

ಇಲ್ಲಿ ಕೊಟ್ಟಿರುವ ಉತ್ತರವನ್ನು ಸ್ವಲ್ಪ ತಿದ್ದಿ ಓದಿ ಕೊಳ್ಳಬೇಕು. (*e*) ಪ್ರಶ್ನೆಗೆ ಉತ್ತರ ಒದಗಿಸಿದ ಮೇಲೆ 15,405ರೂಪಾಯಿಗಳು ವಸೂಲಾಗಿವೆ. (*f*) ಪ್ರಶ್ನೆಗೆ ಉತ್ತರವನ್ನು ತನಿಖೆಯಲ್ಲಿದೆ ಎಂದು ಓದಿಕೊಳ್ಳಬೇಕು.

Sri J. B. MALLARADHYA.—Supplementary to (*d*). Was any departmental action taken?

Sri MALI MARIAPPA.—Departmental action also will be taken. In the meanwhile some of the very relevant records are with the police for investigation. The proceedings are held up only for that reason.

Sri J. B. MALLARADHYA.—What is the action taken by the Department after the auditor's report was received?

Sri MALI MARIAPPA.—Orders have also been passed to institute surcharge preceedings. Meanwhile, the police are investigating and for that purpose some records are held up with the police and so surcharge proceedings could not be instituted immediately.

Sri J. B. MALLARADHYA.—How is it that Rs. 15,000 and odd were collected without a definite surcharge order and without allocating responsibility on the Directors?

Sri MALI MARIAPPA.—The collection of Rs. 15,405 comes under certain other categories. There were certain overdrawals and there were certain cases where moneys were drawn without sufficient bank balances by certain individuals and there were certain records to indicate names. So against such persons proceedings were taken and those amounts were recovered.

Sri J. B. MALLARADHYA.—Supplementary to (*f*). May I know whether any of the Directors are involved and whether any of the Directors have credited any portion of this sum of Rs. 15,405 said to have been collected?

Sri MALI MARIAPPA.—A final answer cannot be given without further looking into the matter. Unless the records are available, it will not be possible to give a very definite reply to the question.

Sri J. B. MALLARADHYA.—Who has given this sum of Rs. 15,405?

Sri MALI MARIAPPA.—This has been recovered by the Administrator who was appointed and not by the Directors, because after this incident happened, an Administrator was appointed.

Sri J. B. MALLARADHYA.—My question is whether any portion in this sum of Rs. 15,405 was recovered from the Directors?

Sri MALI MARIAPPA.—I want notice. Names are not readily available with me.

Sri A. BHEEMAPPA NAIK.—Was there not annual auditing?

Sri MALI MARIAPPA.—I think there was a kind of local audit which prevailed up to 1955-56.

Sri A. BHEEMAPPA NAIK.—I want to know whether there was any regular annual audit.

Sri MALI MARIAPPA.—If a separate question is put, I will furnish the answer.

Sri A. BHEEMAPPA NAIK.—This is a question of misappropriation of huge funds which was found out in the annual audit. So. I want to know whether there was regular annual audit and whether such annual audit disclosed any deficit or not.

Sri MALI MARIAPPA.—So far as audit is concerned, it is termed as local audit. I do not readily have the audit reports relating to these years.

Sri A. BHEEMAPPA NAIK.—Who was responsible for auditing? Was the audit a local internal audit or regular annual audit?

Sri MALI MARIAPPA.—It is also annual audit.

Sri A. BHEEMAPPA NAIK.—When was it revealed for the first time during audit that there was shortage of funds?

Sri MALI MARIAPPA.—The audit report is not readily available with me and so I am not in a position to answer this question.

Sri A. BHEEMAPPA NAIK.—In that case I request the Speaker to hold over this question. This is a question concerning shortage or misappropriation of thousands of rupees and so if the audit report is not available what is the answer that we can expect in this matter?

Mr. SPEAKER.—Reading the reply as it is—as a whole—it appears that this deficit was found out by the special auditor for the first time.

Sri A. BHEEMAPPA NAIK.—If the audit report is not available, it is worth holding over the question. It is in the interests of the public and in the interests of co-operative institutions. It is very necessary that these matters should be thrashed out on the floor of the House.

Mr. SPEAKER.—Let me also see what further questions are going to be put to consider your suggestion.

Sri J. B. MALLARADHYA.—In answer to question (*c*), it is stated that it relates to a period from 1st July 1953 to 18th July 1957. Am I to presume that during the interval of four years, there was no audit worth the name?

Sri MALI MARIAPPA.—I have already answered the questions. There was audit and it was termed as local audit.

Sri J. B. MALLARADHYA.—Sir, the point is, a sum of Rs. 1,72,350 is revealed as the deficit. To what specific years this defalcation relates? I want to know what the deficit was yearwise.

Sri MALI MARIAPPA.—I want notice to give information yearwise. In (*c*) it is answered. If separate figures are needed, I want notice.

Sri J. B. MALLARADHYA.—To the question when was the audit report received by the Government, the answer is, it was received on 16th December 1957. From that date, it is more than ten months. Is it difficult for the Minister to say what is the amount shown as deficit for each year? That audit report relates to each year. The balance sheets are drawn each year. In such circumstances, is it very difficult to answer my question?

Sri MALI MARIAPPA.—It is this way, Sir. The audit report relates to a period from 1st July 1953 to 18th July 1957. This report was given by a special auditor who was assisted by two others. They have given one consolidated report. If my friend wants the break up of figures, it is possible to give that information. But it takes some time.

Sri C. J. MUCKANNAPPA.—This is a very important question, Sir, which Sri Mallaradhya has tabled. . . . . .

Mr. SPEAKER.—Sri Muckannappa, if you want to put questionns, you do so. What is the use of arguing on behalf of Sri Mallaradhya?

Sri C. J. MUCKANNAPPA.—I am not arguing, Sir. A person committed suicide. A person hung himself. Till the Hon'ble Minister gets the entire report about audit, I think it is practically impossible for him to answer.

Mr. SPEAKER.—You put questions.

Sri C. J. MUCKANNAPPA.—The Hon'ble Minister was pleased to say that there was a kind of audit. I want to know what was the kind of audit.

Mr. SPEAKER.—The Minister has stated that it was local audit.

Sri C. J. MUCKANNAPPA.—The Hon'ble Minister has stated that it was done by a special auditor. How can a special auditor make local audit?

Mr. SPEAKER.—What is wrong?

Sri C. J. MUCKANNAPPA.—For sums within Rs. 40,000 the account. have to be audited by a Junior Auditors There is a rule. . . . . .

Mr. SPEAKER.—You put questions.

Sri C. J. MUCKANNAPPA.—May I know the turnover of the Bank?

Mr. SPEAKER.—We are not concerned with that. You may want to know anything. But it is not our concern. We are concerned with the extent of deficit only.

Sri C. J. MUCKANNAPPA.—May I know to what extent the local auditor is empowered to audit?

Mr. SPEAKER.—If you want that reply, I will request the Minister to answer that question.

Sri MALI MARIAPPA.—May I just make a clarification? There is some confusion regarding the local auditor and the special auditor that are referred to here. The local auditor is a person who has audited prior to this incident, perhaps every year. But here the special auditor was appointed because, there was a complaint and the General Manager who was in charge of this institution committed suicide. Then it was disclosed there was misappropriation. So there was need to appoint a special auditor with two other auditors to audit the account. It was in that way the appointment of the special auditor was made.

Sri C. J. MUCKANNAPPA.—To what extent that local auditor can audit the accounts?

Sri MALI MARIAPPA.—So far as this institution is concerned, the local auditor was being appointed by the Board of Directors. In that way the local audit has taken place in this institution. It was to that I was referring to as local audit. So far as the question of amount is concerned, it does not arise, for the reason that after the Board of Directors take a decision that so and so should audit the accounts, so and so will have the right to audit the accounts irrespective of the amount.

Sri C. J. MUCKANNAPPA.—Sir, is there not a standing rule regarding the amount to be audited. . . . . .

Mr. SPEAKER.—When the Hon'ble Minister says that the local auditor has no limit to which he could audit as far as the amount is concerned, there the matter should end. After all, the rules differ from place to place.

Sri C. J. MUCKANNAPPA.—May I put it to the Speaker, Sir, that an internal audit is different from local audit and a local audit is different from a special audit. May I know whether a local auditor or an internal auditor can audit the accounts where the amount is very high?

Mr. SPEAKER.—So far as that local auditor is concerned, the Hon'ble Minister has stated that there was no limit and that he had unlimited powers.

Sri C. J. MUCKANNAPPA.—Sir, there is a statutory rule that the local auditor or the internal auditor is empowered to audit the accounts to a certain extent. . . . . .

Mr. SPEAKER.—You are referring to old Mysore.

Sri C. K. RAJAIAH SETTY.—May I know whether the local auditor was employed by the Bank?

Mr. SPEAKER.—The Minister stated that he was appointed every year by the Directors.

Dr. R. NAGAN GOWDA.—May I know whether this audit was done by a person appointed by the Registrar of Co-operative Societies of Coorg? All this took place before Coorg merged into Mysore. If so, can the Hon'ble Minister give us the report of that audit for those four years?

Mr. SPEAKER.—I am sorry to interfere. Already the Hon'ble Minister has replied by saying that the auditor was appointed by the Directors. There the matter should end.

Dr. R. NAGAN GOWDA.—The audit was done by a person appointed by the Registrar of Co-operative Societies of Coorg. . . . . .

Mr. SPEAKER.—The Hon'ble Minister has stated that every year, the audit was being done by a local auditor.

Sri A. BHEEMAPPA NAIK.—Sir, that can never happen. A local audit can be done by a person appointed by the Board of Directors. But an annual audit can be done by a person appointed by the Registrar of Societies. Annual audit can never be done by a person appointed by the Board of Directors.

The information is somewhat erroneous. It is better this question is held over so that discussion might take place later on.

Sri J. B. MALLARADHYA.—I shall also put a few supplementaries so that the question may be fully examined.

Sri MALI MARIAPPA.—This incident happened in July 1957, about nine months after integration. Several supplementaries that are framed relate to a period prior to integration. So far as local audit to which I referred is

concerned, the supplementaries relate only to the period prior to integration.

Mr. SPEAKER.—Anyhow, when the question is put, a reply has to be given. If the Hon'ble Minister cannot reply, he may take some time, say a couple of days or a week, and we may take it up afterwards. The information with regard to questions whether there was annual audit or not, what was the limit and as to when was the Special Officer appointed, could be secured.

Sri G. N. PUTTANNA.—Just to help the Minister, I would put one question.

Mr. SPEAKER.—No. I have held it over.

Sri M. RAMAPPA.—The matter has been referred to the investigation of the Police. May I know whether it is in the interest of justice to give details in this matter before the investigation is closed by the Police ?

Mr. SPEAKER.—Within one week information will be procured.

Sri M. RAMAPPA.—It is *sub judice*.

Mr. SPEAKER.—It is not *sub judice*.

Mr. SPEAKER.—Next question No. 3664 by Sri S. Kariappa.

Sri G. DUGGAPPA.—On a point of order. The answers supplied by the Government are on the very face of it wrong. The Government may please now look into the answers.

Mr. SPEAKER.—Please bear with me. There cannot be any outright statement like that. You cannot make a statement like that.

Sri G. DUGGAPPA.—I submit to the Chair. The Chair may please go through the answer.

Mr. SPEAKER.—It is for the Hon'ble Members to point out to me if there are any inconsistencies. That is a different matter. But no Hon'ble Member can say that the whole answer is wrong.

Purchase of murra buffalo by the artificial insemination centre, Ramanagaram.

Q.—3664. Sri S. KARIAPPA (Virupakshipura).—

Will the Government be pleased to state :—

(*a*) whether a murra buffalo was purchased last year for the artificial insemination centre at Ramanagaram ;

(*b*) the cost of the buffalo ;

(*c*) whether they have received any complaints in this behalf ;

(*d*) if so, the action taken in the matter ?

A.—Sri K. F. PATIL (Minister for Agriculture and Food).—

(*a*) Yes.

(*b*) Rs. 838-10-0.

(*c*) Yes.

(*d*) The bull was removed to Hessarghatta and another bull was supplied.

ಶ್ರೀ ಎಸ್. ಕರಿಯಪ್ಪ.—(ಸಿ) ಪ್ರಶ್ನೆಗೆ ಉತ್ತರ ವಾಗಿ 'ಹೌದು' ಎಂದು ತಿಳಿಸಿದೆ. ಹಾಗಿದ್ದರೆ ಸರ್ಕಾರದವರಿಗೆ ಎಮ್ಮೆ ವಿಚಾರದಲ್ಲಿ ದೂರು ಬಂದಿದ್ದವೋ ಅಥವಾ ಕೃತ್ರಿಮ ವಿಚಾರದಲ್ಲಿ ದೂರು ಬಂದಿದ್ದವೋ ! ಹೋರಿಯನ್ನೇಕೆ ಹೆಸರಘಟ್ಟಕ್ಕೆ ಕಳುಹಿಸಿದಿರಿ ?

ಶ್ರೀ ಕೆ. ಎಫ್. ಪಾಟೀಲ್.—ತಮಗೆ ಎಲ್ಲ ವಿಚಾರ ಗಳೂ ಈಗಾಗಲೇ ತಿಳಿದಿರುವಾಗ ತಮಗೇನು ತಿಳಿಸುವುದಿದೆ ?

ಶ್ರೀ ಜಿ. ದುಗ್ಗಪ್ಪ.—ಅಧ್ಯಕ್ಷರೇ, ನನ್ನ ಬಳಿ ಕನ್ನಡದ ಪ್ರಶ್ನೋತ್ತರದ ಪ್ರತಿ ಇದೆ. ಅದರಲ್ಲಿ "ರಾಮನಗರದಲ್ಲಿರುವ ಕೃತಕಗರ್ಭಧಾರಣಾ ಕೇಂದ್ರಕ್ಕಾಗಿ ಹೋದವರ್ಷ ಒಂದು ಮುರಾ ಜಾತಿಯ ಎಮ್ಮೆಯನ್ನು ಕೊಂಡುಕೊಳ್ಳಲಾಯಿತೆ" ಎಂಬ ಪ್ರಶ್ನೆಗೆ 'ಹೌದು' ಎಂದು ಉತ್ತರ ಇದೆ. ಇದು ನಿಜವೇ ! I want an answer to this ? (ನಗು) !

Sri F. H. MOHSIN.—May I know what was the nature of the complaint against the buffalo ?

ಶ್ರೀ ಕೆ. ಎಫ್. ಪಾಟೀಲ್.—ಅದರಿಂದ ಸರಿಯಾದ 'ಸೆಮನ್' ಬರುತ್ತಿಲ್ಲ ಮತ್ತು ಇದು ಕೃತಕ ಗರ್ಭ ಧಾರಣೆಗೆ ಅಯೋಗ್ಯ ಎನ್ನುವ ದೂರುಗಳು ಬಂದಿದ್ದವು.

Sri F. H. MOHSIN.—May I know whether it was not tested before it was purchased ?

Sri K. F. PATIL.—It was purchased on the recommendation of the Aarey Colony experts in Bombay.

Sri F. H. MOHSIN.—Was the expert a male or female ?

Mr. SPEAKER.—Order, Order. It does not matter to whatever sex the expert belongs.

Dr. R. NAGAN GOWDA.—May I know where this was purchased from and what was its cost ?